ORIGINAL

DOCKET FILE COPY ORIGINAL

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
Numbering Resource Optimization) CC Docket No. 99-200	
T. 4. C	RECEIVEL)
To the Commission:	JUL 1 2 2001	
	OFFICE OF THE SECOND OF	NOICE

PETITION FOR RECONSIDERATION

Carol Ann Bischoff
Executive Vice President
and General Counsel
Jonathan Lee
Vice President Regulatory Affairs
COMPETITIVE TELECOMMUNICATIONS
ASSOCIATION
1900 M Street, N.W., Suite 800
Washington, D.C. 20036
(202) 296-6650

Judith St. Ledger-Roty
Todd D. Daubert
KELLEY DRYE & WARREN

Robert J. Aamoth

KELLEY DRYE & WARREN, LLP 1200 19th Street, N.W., Suite 500 Washington, DC 20036 (202) 955-9600

Counsel to CompTel and PCIA

Robert L. Hoggarth, Senior Vice President for Government Relations
Harold Salters, Director for Government Relations
PERSONAL COMMUNICATIONS
INDUSTRY ASSOCIATION
500 Montgomery Street, Suite 700
Alexandria, Virginia 22314-1561
(703) 739-0300

No. of Copies rec'd Ot / List A B C D E

July 12, 2001

SUMMARY

The Commission's public notice dated June 11, 2001 ("Reporting Notice") purports to "clarify" the reporting requirement the Commission adopted in a Report and Order and Further Notice of Proposed Rulemaking released on March 31, 2000 ("Numbering Order"), pursuant to which carriers have been reporting information on "central office codes" or "NXX codes" ("CO codes") within geographic numbering plan areas ("NPAs") using FCC Form 502. However, the *Reporting Notice* actually announces a decision by the Commission to adopt a new reporting requirement. Specifically, the *Reporting Notice* announces that, for the first time, there is a reporting requirement for CO codes within certain – but not all – non-geographic NPAs (i.e., the 500 and 900 NPAs), and implies that carriers should have included this information within their past two rounds of FCC Form 502 filings, despite the fact that the Commission designed the form specifically for the purpose of collecting data on CO codes within geographic NPAs. The Reporting Notice also announces that the Commission has instructed the North American Numbering Plan Administrator ("NANPA"), for the first time, to withhold numbering resources from applicants whose FCC Forms 502 do not contain information about CO codes that have been assigned to them from the 500 and 900 NPAs. The Commission adopted this new reporting requirement for the 500 and 900 non-geographic NPAs without providing any notice or opportunity for comment, and modified FCC Form 502 and the instructions for its completion without obtaining Office of Management and Budget ("OMB") approval.

Requiring carriers to report utilization and forecast information on CO codes within the 500 and 900 NPAs may be a worthy goal. However, imposing this reporting requirement without providing notice or opportunity for comment will lead to unintended consequences that interfere with the goals of the Commission and the state regulators, as well as

harm carriers. For example, under the new interpretation of the *Numbering Order* that the Commission announced for the first time in the *Reporting Notice*, carriers are subject to code denials, audits and forfeitures not only for failing to report information relating to the 500 and 900 NPAs, but also the toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), international inbound NPA 456 NXX codes, carrier identification codes, vertical service codes, 855-XXXX line numbers and 555-XXXX line numbers. Under the Commission's new interpretation, these numbering resources are also subject to the national utilization threshold and sequential numbering requirements, despite the fact that it is unclear how the requirements could be applied to these numbering resources.

The Commission may not have intended these results when it issued the *Reporting Notice*. Nonetheless, state public utility commissions ("PUCs"), to whom the Commission has delegated authority to enforce various federal numbering requirements, will be forced to expend scarce resources to deal with the ambiguities that the *Reporting Notice* creates, and carriers may have to endure investigations, denials of code applications and audits. This will tax the resources of carriers, particularly smaller carriers, at a time when they have little or no access to capital markets, and waste valuable and often scarce resources of the state PUCs. Given the potential for varying application of the numbering rules in light of the Commission's new interpretation, CompTel and PCIA urge the Commission to set aside the new reporting requirement for the 500 and 900 non-geographic NPAs pending a proper notice and comment rulemaking proceeding and, if necessary, OMB approval of modifications to FCC Form 502.

TABLE OF CONTENTS

SUM	MARY	Page i
501/1		•••••••
I.	INTRODUCTION AND BACKGROUND	4
II.	THE COMMISSION SHOULD RECONSIDER ITS DECISION TO REQUIRE CARRIERS TO REPORT CO CODES WITHIN NON-GEOGRAPHIC NPAS	_
	USING FCC FORM 502	5
III.	THE COMMISSION MUST OBTAIN OMB APPROVAL BEFORE	10
	MODIFYING FCC FORM 502	12
IV.	THE MEANS THAT THE COMMISSION USED TO IMPOSE A REPORTING REQUIREMENT FOR NON-GEOGRAPHIC NPAs HAVE NEGATIVE	
	CONSEQUENCES	15
CON	CLUSION	21

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
Numbering Resource Optimization)	CC Docket No. 99-200
)	

To the Commission:

PETITION FOR RECONSIDERATION

The Competitive Telecommunications Association ("CompTel")¹ and the Personal Communications Industry Association ("PCIA")², though their attorneys, hereby petition the Federal Communications Commission ("Commission") for reconsideration of its decision to impose a new reporting requirement for 500 and 900 Numbering Plan Areas ("NPAs") without providing notice and opportunity for comment or obtaining Office of Management and Budget ("OMB") approval for the modifications to FCC Form 502 that the new requirements necessitated.³

CompTel is the premier industry association representing competitive telecommunications providers and their suppliers in the United States. CompTel's member companies include the nation's leading providers of competitive local exchange services and span the full range of entry strategies and options. It is CompTel's fundamental policy mandate to see that competitive opportunity is maximized for *all* its members, both today and in the future.

PCIA is a wireless communications association dedicated to advancing seamless global communications through its strategic marketing, public policy expertise, events and educational programs. PCIA members include a broad base of interdependent mobile convergence players. PCIA is devoted to the rapid, efficient, and cost effective deployment of consumer-driven mobile products and services around the world. PCIA's membership alliances include the Personal Communications Service Alliance, the Mobile Wireless Communications Alliance, the Paging and Messaging Alliance, the Private System Users Alliance, and the Site Owners and Managers Alliance.

Numbering Resource Optimization, CC Docket No. 99-200, Public Notice, DA 01-1409 (rel. June 11, 2001) ("Reporting Notice"), which was published in the Federal Register on Friday, June 15, 2001, Vol. 66, No. 116 at 32623. CompTel and PCIA believe that a petition for reconsideration is the proper procedural vehicle for addressing their concerns about the new reporting requirement that the Commission announced in the Reporting (continued...)

Requiring carriers to report utilization and forecast information on CO codes within the 500 and 900 NPAs may be a worthy goal.⁴ However, imposing this reporting requirement without providing notice or opportunity for comment will lead to unintended consequences that interfere with the goals of the Commission and the state regulators, as well as harm carriers. For example, under the new interpretation that the Commission announced for the first time in its public notice dated June 11, 2001 ("*Reporting Notice*"), carriers are subject to code denials, audits and forfeitures not only for failing to report information relating to the 500 and 900 NPAs, but also the toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs),⁵ international inbound NPA 456 NXX codes,⁶ carrier identification codes,⁷ vertical

^{(...}continued)

Notice, and that this petition satisfies the requirements of 47 C.F.R. §1.429. However, in the event that the Commission disagrees, CompTel and PCIA ask the Commission to use its discretion, for the procedural purposes, to treat this petition as a petition for clarification of the matters raised herein.

CompTel and PCIA take no position here on reporting requirements for CO codes in the 500 or 900 NPAs.

The toll free NPAs are NANP numbering resources assigned to carriers or non-carriers by Responsible Organizations ("RespOrgs"), which frequently are carriers. *See, e.g., Toll Free Service Access Codes*, 13 FCC Rcd 9058 (1998) (explaining toll free numbers and toll free service access codes).

The international inbound 456 NXX codes are NANP numbering resources assigned to carriers by the NANPA. See, e.g., International Inbound NPA (INT/NPA/NXX) Assignment Guidelines, INC 94-0826-003 (Reissued January 8, 2001) ("International Inbound NPA Assignment Guidelines") (specifying guidelines for the assignment by the NANPA of NXX codes used in conjunction with the 456 Numbering Plan Area (NPA) code for individual carriers). The purpose of NPA 456 and its associated NXXs is to enable the routing of inbound international calls for carrier-specific services, particular to that service provider's network, to and between NANP Area countries. This is accomplished by providing carrier identification within the dialed digits of the E.164 number. The routing to the appropriate carrier will be accomplished at the originating end of the call, i.e., within the network of the foreign administration. As an example, the 456 NPA is used for calls destined for the public telecommunications network in NANP Area.

Carrier identification codes ("CICs") are NANP numbering resources assigned to carriers and non-carriers by the NANPA. See, e.g., Carrier Identification Code Assignment Guidelines, INC 95-0127-006 (Reissued January 8, 2001) ("CIC Assignment Guidelines") (specifying guidelines for the assignment of CICs in the NANP area). CICs provide routing and billing information for calls from end users via trunk-side (continued...)

service codes,⁸ 855-XXXX line numbers⁹ and 555-XXXX line numbers.¹⁰ These numbering resources arguably are also now subject to the national utilization threshold and sequential numbering requirements.

Although the Commission may not have intended these results when it issued the *Reporting Notice*, carriers may have to endure investigations, denials of code applications and audits as a result of the ambiguities that the *Reporting Notice* creates. Moreover, these ambiguities will force state public utility commissions ("PUCs"), to whom the Commission has delegated authority to enforce various federal numbering requirements, to waste valuable and often scarce resources. Given the potential for varying application of the Commission's numbering rules in light of the new interpretation, CompTel and PCIA urge the Commission to

^{(...}continued)

connections to interexchange carriers and other entities. Entities connect their facilities to access provider's facilities using several different access arrangements, the common ones being Feature Group B (FG B) and Feature Group D (FG D).

Vertical service codes are NANP numbering resources assigned to carriers and non-carriers by the NANPA. See, e.g., Vertical Service Code Assignment Guidelines, INC 96-1127-005 (Reissued February 28, 2000) ("VSC Assignment Guidelines") (specifying guidelines for the assignment of VSCs for which standardization or consistency is desired across all industry sectors in the PSTN). VSCs are customer-dialed codes in the *XX or *2XX dialing format for touch tone and the 11XX or 112XX dialing format for rotary phones. They are used to provide customer access to features and services (e.g., call forwarding, automatic callback, etc.) provided by network service providers such as local exchange carriers, interexchange carriers, Commercial Mobile Radio Service (CMRS) etc. For example, Call Forwarding is activated by dialing *72 or 1172.

⁸⁵⁵⁻XXXX line numbers are NANP numbering resources assigned to entities by the NANPA. See, e.g., 800-855 Number Assignment Guidelines, INC 94-0401-001 (Reissued July 13, 1998) ("800-855 Number Assignment Guidelines") (specifying guidelines for the assignment of line numbers within the 800-855-XXXX resource). 800-855 numbers are used for the purpose of accessing public services on the PSTN intended for the deaf, hard of hearing or speech impaired.

⁵⁵⁵⁻XXXX line numbers are NANP numbering resources assigned to entities by the NANPA. See, e.g., 555 NXX Assignment Guidelines, INC 94-0429-002 (Reissued April 10, 2000) ("555 Number Assignment Guidelines") (specifying guidelines for the assignment of line numbers within the 555 NXX code). The intended use for 555 numbers for which these guidelines apply include the provisioning of information services but may include a broad range of existing and future services as well.

rescind the *Reporting Notice* and to initiate a Notice of Proposed Rulemaking ("NPRM") to consider reporting requirements for 500 and 900 NPAs and, if necessary, adopt a form designed specifically for the reporting of information relating to non-geographic numbering resources and approved by OMB.

I. <u>INTRODUCTION AND BACKGROUND</u>

Although the *Reporting Notice* purports to "clarify" the reporting requirement it adopted in a Report and Order and Further Notice of Proposed Rulemaking released on March 31, 2000 ("*Numbering Order*"), it actually announces a decision by the Commission to adopt a new reporting requirement.¹¹ In the *Numbering Order*, the Commission, among other things, adopted a reporting requirement for "central office codes" or "NXX codes" ("CO codes") within geographic numbering plan areas ("NPAs"), and created FCC Form 502 specifically for the purpose of collecting data on CO codes within geographic NPAs. The *Reporting Notice* announces that, for the first time, there is a reporting requirement for CO codes within certain – but not all – non-geographic NPAs (*i.e.*, the 500 and 900 NPAs), and implies that carriers should have included this information within the past two rounds of FCC Form 502 filings.¹² The *Reporting Notice* also announces that the Commission has instructed the NANPA, for the first

Rather than merely a "statement of Commission policy" about how the Commission would exercise its discretion on a prospective basis, the *Reporting Notice* imposes an inflexible reporting requirement, accompanied by various penalties for noncompliance (e.g., forfeitures, the withholding of numbering resources etc. . .), that applies on a retroactive basis from the date that the Commission adopted the *Numbering Order* nearly 15 months ago.

Specifically, the Commission states that "[c]learly 500 and 900 NPA's are covered by [the reporting] mandate" that the FCC adopted in the *Numbering Order*, and that NANPA has been instructed "to withhold numbering resources from carriers that fail to comply with these reporting requirements." *See Reporting Notice*. The first filing provided the FCC with data as of June 30, 2000 and the second filing provided the FCC with data as of December 31, 2000. *See, e.g., FCC Releases Numbering Utilization Report*, News Release, at 1 (rel. June 13, 2001).

time, to withhold numbering resources from applicants whose FCC Forms 502 do not contain information about CO codes that have been assigned to them from the 500 and 900 NPAs.

The Commission adopted this new reporting requirement for the 500 and 900 non-geographic NPAs without providing any notice or opportunity for comment, in violation of section 553(b) of the Administrative Procedure Act ("APA"), 5 U.S.C. § 553(b). The Commission also modified FCC Form 502 and the instructions for its completion without obtaining OMB approval, in violation of 44 U.S.C. 3503, 3504(c). CompTel and PCIA therefore urge the Commission to set aside the new reporting requirement for the 500 and 900 non-geographic NPAs pending a proper notice and comment rulemaking proceeding and, if necessary, OMB approval of modifications to FCC Form 502.

II. THE COMMISSION SHOULD RECONSIDER ITS DECISION TO REQUIRE CARRIERS TO REPORT CO CODES WITHIN NON-GEOGRAPHIC NPAS USING FCC FORM 502

In the *Numbering Order*, the Commission adopted various measures designed to increase the efficiency with which carriers use numbering resources within geographic NPAs, including a requirement that carriers report information on CO codes within geographic NPAs using FCC Form 502.¹³ However, the *Numbering Order* made no mention of non-geographic NPAs, nor did the NPRM upon which the *Numbering Order* is based.¹⁴ In fact, not a single filing made by any party in this proceeding – whether before or after the Commission adopted the *Numbering Order* – discussed non-geographic NPAs.¹⁵

Numbering Order at \P 40.

In fact, neither the *Numbering Order* nor the NPRM discussed any NANP numbering resources that are not administered pursuant to the *CO Code Assignment Guidelines*.

Similarly, none of the filings in this proceeding have focused on any NANP numbering resources that are not administered pursuant to the *CO Code Assignment Guidelines*.

It is not surprising that no filings discussed non-geographic NPAs in this proceeding. The NPRM and the *Numbering Order* address problems relating to geographic NPAs, ¹⁶ and thus discuss the assignment and utilization of NANP numbering resources subject to the Central Office Code (NXX) Assignment Guidelines ("CO Code Assignment Guidelines") without mentioning non-geographic NPAs or any other NANP numbering resources that are not subject to the CO Code Assignment Guidelines. ¹⁷ For example, the Commission explained in the *Numbering Order* that,

[i]n the notice, we observed that current procedures for allocation numbering resources, which are set forth in the Central Office Code (NXX) Assignment Guidelines (CO Code Assignment Guidelines), do not impose adequate discipline on a carrier's ability to obtain and stockpile numbers for which it has no immediate need. . . . We believe that the first step in addressing these problems is to establish uniformly defined categories of numbering use and then to monitor, or a regular basis, how individual carriers are using their numbering resources. ¹⁸

With this introduction to the issues that the Commission addressed in the *Numbering Order*, it is no surprise that none of the parties participating in this proceeding had notice that it might apply to non-geographic NPAs as well.

The introduction was confirmed again in the background of the reporting section, which explained that

See, e.g., Numbering Order at ¶ 2 (explaining that "Today, an examination of the rapid rate at which new area codes are being assigned reveals the near-crisis state of the NANP. Just since the release of the Numbering [NPRM] almost ten months ago, 24 new area codes have been assigned to geographic areas around the country. According to North American Numbering Plan Administrator's (NANPA) most recent projections, 47 [geographic] area codes will exhaust by the end of the year 2000, unless something is done to slow down the rate at which central office codes (or NXXs) in those areas are being assigned to carriers." (footnotes omitted and emphasis added)); id. at ¶ 6 (explaining that "[o]f the 314 geographic codes assigned in the NANP, 252 serve portions of the United States." (emphasis added)).

See, e.g., International Inbound NPA Assignment Guidelines; CIC Assignment Guidelines; VSC Assignment Guidelines; 800-855 Number Assignment Guidelines; 555 Number Assignment Guidelines.

See, e.g., Numbering Order. at ¶ 10 (emphasis added and footnotes omitted).

[c]urrently, utilization and forecasting information is collected by NANPA through the Central Office Code Utilization Survey ("COCUS"). The COCUS solicits data on actual and projected CO code utilization for each NPA in the NANP. In our *Notice*, we observed that for many reasons, the usefulness of the COCUS for purposes of monitoring numbering resource use is limited. The most serious deficiency with the current mechanism is that data reporting by carriers is voluntary, not mandatory. Another limitation that we identified is that the COCUS is reported annually. Thus, analyses based on the COCUS can become outdated due to changing conditions months before new data are collected and analyzed. Finally, we observe that the utilization data collected through COCUS lacks sufficient specificity to enable the NANPA to determine how carriers are utilizing numbers assigned to them.¹⁹

The information that the COCUS collected was limited to CO codes subject to the CO Code Assignment Guidelines. However, the Commission did not identify this limitation as a problem or discuss the need to expand the scope of the reporting requirement to include non-geographic NPAs as well. Rather, the Commission proceeded to correct the limitations on the usefulness of the COCUS data. Therefore, the context of the Numbering Order made clear that the Commission was referring solely to geographic NPAs subject to the CO Code Assignment Guidelines when it stated that "all carriers that receive numbering resources from the NANPA (i.e., code holders), or that receive numbering resources from a Pooling Administrator in thousands blocks (i.e., block holders), report forecast and utilization data to the NANPA."²⁰

Events that have occurred since the Commission adopted the *Numbering Order* confirm that none of the participants in this proceeding had notice that it applied to non-geographic NPAs or any NANP numbering resources that are not subject to the *CO Code Assignment Guidelines*. For example, no carrier has ever even attempted to include information on CO codes assigned to non-geographic NPAs in its FCC Form 502 filings. In fact, FCC Form 502 would not allow a carrier to report information on CO codes within non-geographic NPAs:

Numbering Order at \P 38.

Id. at $\P 40$.

Because FCC Form 502 was designed specifically to collect information on geographic NPAs and to reject reports that contain errors, the NANPA would have rejected a filing that contained information on non-geographic NPAs.²¹

Although NANPA regularly notifies carriers that they have failed to report information on geographic NPAs as required, NANPA has never notified any carrier that it failed to report information on non-geographic NPAs.²² Likewise, the FCC has never issued any Notices of Apparent Liability ("NALs") to carriers for failure to report information on CO codes within non-geographic NPAs, despite the fact that it has issued at least six NALs to carriers for failure to report information on CO codes within geographic NPAs.²³

See, e.g. Numbering Resource Utilization in the United States as of December 31, 2000, Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, 3 (June 2001) (noting that "[a]s toll-free numbering resources are managed separately from geographic numbers, they are neither surveyed on FCC Form 502 nor included in this report.").

Similarly, NANPA has never notified any carrier that it failed to report information on any NANP numbering resource that is not subject to the CO Code Assignment Guidelines.

²³ See, e.g., Neclec, LLC, Notice of Apparent Liability, DA 01-1001 (rel. April 24, 2001) (proposing a forfeiture for failing to report utilization and forecast data); Allpage, Inc., Notice of Apparent Liability, DA 01-991 (rel. April 24, 2001) (same); IDS Long Distance, Notice of Apparent Liability, DA 01-999 (rel. April 24, 2001) (same); Net-Tel Corporation, Notice of Apparent Liability, DA 01-1002 (rel. April 24, 2001) (same); Paging Source USA, LLC, Notice of Apparent Liability, DA 01-1007 (rel. April 24, 2001) (same); Optel Texas Telecom, Inc., Notice of Apparent Liability, DA 01-1006 (rel. April 24, 2001) (same); Litelco Communications, Inc., Notice of Apparent Liability, DA 01-1000 (rel. April 24, 2001) (same): NETWORK PLUS, INC. Notice of Apparent Liability, DA 01-1003 (rel. April 24, 2001) (same); Winsome Paging, Inc., Notice of Apparent Liability, DA 01-1012 (rel. April 24, 2001) (same); American Metrocomm Corp., Notice of Apparent Liability, DA 01-992 (rel. April 24, 2001) (same); ATX Telecommunications Services, Ltd., Notice of Apparent Liability, DA 01-993 (rel. April 24, 2001) (same); Fulltel, Inc., Notice of Apparent Liability, DA 01-998 (rel. April 24, 2001) (same); Vanguard Cellular Systems, Inc., Notice of Apparent Liability, DA 01-1011 (rel. April 24, 2001) (same); Trivergent Communications, Inc., Notice of Apparent Liability, DA 01-1009 (rel. April 24, 2001) (same); R and G Distributors, Inc., Notice of Apparent Liability, DA 01-1008 (rel. April 24, 2001) (same); North County Communications Corp., Notice of Apparent Liability, DA 01-1005 (rel. April 24, 2001) (same); USA Mobile Communications, Inc. II, Notice of Apparent Liability, DA 01-1010 (rel. April 24, 2001) (same); Digital Teleport, Inc., Notice of Apparent Liability, DA 01-997 (rel. April 24, 2001) (same); Chickasaw Telephone Co., Notice of Apparent Liability, (continued...)

The *Reporting Notice* itself suggests that the Commission did not originally intend for carriers to report information on CO codes within non-geographic NPAs. As the Commission explains in the *Reporting Notice*,

In previous numbering utilization and forecast reports, carriers have not included information on 500 and 900 NPAs. Because the NANPA has reported that the 500 and 900 NPAs are nearing exhaust, it is necessary to more closely track the use of 500 and 900 numbering resources and more closely monitor their projected exhaust.

This suggests that the need to gather information on the 500 and 900 NPAs prompted the Commission to issue the *Reporting Notice* rather than concern that carriers had failed to comply fully with the *Numbering Order*.

NANPA first began reporting to the Commission that the 500 NPA is nearing exhaust in late 2000, months after the Commission adopted the *Numbering Order* and over a year after it adopted the underlying NPRM.²⁴ Before that time, numbering resources in the 500 NPA were not in high demand, and thus were not the focus of numbering optimization efforts. With respect to the 900 NPA, NANPA did not assign a single code during the entire year 2000, but it reclaimed a total of 136 codes during that same time period.²⁵ It is not surprising, therefore, that the Commission most likely had not even considered non-geographic NPAs when

^{(...}continued)

DA 01-995 (rel. April 24, 2001) (same); Core Communications, Inc., Notice of Apparent Liability, DA 01-996 (rel. April 24, 2001) (same); North American Telecommunications Corporation, Notice of Apparent Liability, DA 01-1004 (rel. April 24, 2001) (same); Neclec, LLC, Notice of Apparent Liability, DA 01-1001 (rel. April 24, 2001) (same).

See, e.g., NANPA Annual Report for 2000 at 17-18 (listing code assignments for the 500 NPA by month and explaining that "[i]n September, recognizing that the resource was approaching exhaust, NANPA, in its role as steward of the resource, undertook an audit of all 500-NXX assignees. . . . In November, reflecting continuing concern about the exhaust of the resource, NANPA informed the INC that the projected exhaust date for the 500 resource, based on demand in 2000, is February 2002.") (2001).

See, e.g., id. at 19 (listing code assignments for the 900 NPA by month). As such, it is not clear to CompTel and PCIA that a reporting requirement for the 900 NPA would serve the public interest at this time.

it issued the NPRM that led to the *Numbering Order*, because the need to include information on the 500 NPA did not arise until well after the Commission adopted the *Numbering Order*. The language of the NPRM and the *Numbering Order*, as well as the comments, reply comments and ex parte filings made in this proceeding, confirm that non-geographic NPAs were not under consideration at that time.

It appears that the Commission, alarmed at the rate at which the 500 NPA is being consumed, may have concluded well after it adopted the *Numbering Order* that it must require reporting of information on non-geographic NPAs. While such a reporting obligation may be a worthy policy goal, it does not excuse the Commission from providing adequate notice and opportunity to comment, or obtaining OMB approval, before modifying carriers' reporting obligations, particularly where, as here, the Commission's action could have unintended adverse consequences for many carriers and state PUCs.

The Commission's adoption of a new reporting requirement for non-geographic NPAs violates section 553(b) of the APA, which generally requires the Commission to provide notice and an opportunity to comment before promulgation of a final rule. Specifically, the APA requires the Commission to issue a rulemaking notice that includes, among other things, "either the terms or the substance of the proposed rule or a description of the subjects and issues involved." Section 553 further requires that, after the Commission provides the required rulemaking notice, the agency "give interested persons an opportunity to participate in the rule making through submission of written data, views or arguments" and, "after consideration of the relevant matter presented, . . . incorporate in the rules adopted a concise general statement of

²⁶ 5 U.S.C. § 553(b).

their basis and purpose."²⁷ The United States Court of Appeals for the D.C. Circuit has explained that this provision "requires the Commission to provide notice of the proposed rulemaking 'adequate to afford interested parties a reasonable opportunity to participate in the rulemaking process."²⁸

"An agency is not allowed to change a legislative rule retroactively through the process of disingenuous interpretation of the rule to mean something other than its original meaning." Therefore, as the Supreme Court has explained, courts "should not defer to an agency's interpretation of its own regulation if 'an alternative reading is compelled by . . . indications of the [agency's] intent at the time of the regulation's promulgation." In this instance, an alternative reading of the *Reporting Notice* is compelled by indications of the Commission's intent at the time it promulgated the *Numbering Order*, as well as the *Second Numbering Order*.

The Commission failed to satisfy the requirements of the APA because interested parties received the first indication that the Commission was considering imposing a reporting requirement for non-geographic NPAs nearly 15 months – and two reporting cycles – after it adopted the order upon which it now purports to rely. For this reason, none of the parties to this

²⁷ 5 U.S.C. § 553(c).

²⁸ MCI Telecommunications Corp. v. FCC, 57 F.3d 1136, 1140-41 (D.C. Cir. 1995), quoting Florida Power & Light Co. v. United States, 846 F.2d 765, 771 (D.C. Cir. 1988).

²⁹ 1 Kenneth Culp Davis and Richard J. Pierce, Jr., ADMINISTRATIVE LAW TREATISE § 6.10 at 283 (1994), cited in Caruso v. BlockBuster-Sony Music Entertainment Centre at the Waterfront, 193 F.3d 730, 737 (3rd Cir. 1999).

Caruso v. BlockBuster-Sony Music Entertainment Centre at the Waterfront, 193 F.3d 730, 737 (3rd Cir. 1999), quoting Thomas Jefferson University v. Shalala, 512 U.S. 504, 512 (1994). See also Buffalo Crushed Stone, Inc. v. Surface Transportation Board, 194 F.3d 125, 128-29 (D.C. Cir. 1999) (discussing Thomas Jefferson University v. Shalala, 512 U.S. 504, 512 (1994)).

See Numbering Resource Optimization, CC Docket Nos. 99-200, 96-98, FCC 00-429 (rel. Dec. 29, 2000).

proceeding commented on reporting requirements for non-geographic NPAs, or even mentioned non-geographic NPAs at all. The fact that none of the interested parties commented on reporting for non-geographic reporting requirements, in and of itself, suggests strongly that the Commission failed to provide interested parties notice sufficient to afford them a reasonable opportunity to participate in the rulemaking process, as section 553(b) requires.³²

III. THE COMMISSION MUST OBTAIN OMB APPROVAL BEFORE MODIFYING FCC FORM 502

In the *Numbering Order*, the Commission adopted various measures designed to increase the efficiency with which carriers use numbering resources within geographic NPAs, including a requirement that carriers report information relating to geographic NPAs using FCC Form 502. Because the Commission's reporting requirement related solely to geographic NPAs, the Commission, with input from NANPA, state regulators, the telecommunications industry and other interested parties, designed FCC Form 502 specifically to collect information about numbering resources within geographic NPAs that are subject to the *CO Code Assignment Guidelines*. In fact, FCC Form 502 was designed so that NANPA would routinely reject any filings that contained information about non-geographic NPAs.

Under the Paperwork Reduction Act ("PRA"), the Commission must obtain prior approval from the OMB before seeking to collect information from 10 or more persons or entities.³³ As explained above, the *Reporting Notice* announced that, for the first time, carriers must report information for CO codes within non-geographic NPAs. Even though the new

See Shell Oil Co. v. EPA, 950 F.2d 741, 761 (D.C. Cir. 1991) (holding that the EPA's "fail[ure] to identify even one comment recommending (or opposing)" its proposal "reinforce[s] our conclusion that notice was inadequate.").

³³ 44 U.S.C. § 3502(3)(A)(i) (Supp. IV 1998).

reporting requirement is an "information collection" under the Paperwork Reduction Act ("PRA") because it requires more than 10 persons or entities to report information on CO codes within non-geographic NPAs, the Commission failed to obtain prior OMB approval.³⁴

It does not matter that the *Reporting Notice* was issued without notice and comment, because the PRA requires OMB clearance for all information collections, whether promulgated with or without a notice and comment rulemaking proceeding.³⁵ OMB's interpretations of the PRA, which are entitled to deference,³⁶ confirm that its "paperwork control functions necessarily extend to all reporting and recordkeeping requirements, however imposed."³⁷ As the DC Circuit has explained, if the Commission "fails to obtain prior approval from OMB, the request for information can be ignored without penalty."³⁸

The OMB approval that the Commission obtained for the reporting of information about CO codes within geographic NPAs on FCC Form 502 does not cover the new information collection announced in the *Reporting Notice*. Section 3507(h)(3) of the PRA provides that:

See, e.g., Portland Cellular Partnership, 11 FCC Rcd 19997, ¶ 24 (1996) (concluding that PRA review was required for reporting requirements in analogous regulations).

⁴⁴ U.S.C. 3504(h) (OMB clearance required for information collections promulgated in notice and comment rulemaking proceedings); 44 U.S.C. 3507 (OMB clearance required for all other information collections); 5 C.F.R. §§ 1302.3, 1320.4(a) (1983) (OMB rules implementing the PRA, indicating review required for all information collections regardless of how promulgated).

OMB's interpretation is entitled to deference because Congress has vested it with oversight of the PRA. *See* 44 U.S.C. 3503, 3504(c).

Controlling Paperwork Burdens of the Public, 47 Fed. Reg. 39515, 39517 (1982) (decision on proposed rules implementing the 1980 PRA). See also id. at 39516 and 39519; Controlling Paperwork Burdens on the Public, 48 Fed. Reg. 13666, 13668, 13680, 13681 (1983) ("Final PRA Rules") (decision on final rules implementing 1980 PRA).

Center for Auto Safety v. National Highway Traffic Safety Administration, 244 F.3d 144, 148 (DC Cir. 2001), citing 44 U.S.C. § 3512(a) (Supp. IV 1998). See also Saco River Cellular, Inc. v. FCC, 133 F.3d 25, 31 (D.C. Cir. 1998) (explaining that the public protection provision of the PRA provides that "no person shall be subject to any penalty failing to comply with a collection of information" that lacks a currently valid OMB control number).

An agency may not make a substantive or material modification to a collection of information after such collection of information after such collection has been approved by the Director, unless the modification has been submitted to the Director for review and approval under this chapter.³⁹

It is clear that the Commission has made a substantive or material modification to FCC Form 502, as demonstrated by the new version of FCC Form 502, which has been altered for reporting on non-geographic NPAs, as well as the related filing instructions and notices that the Commission and NANPA issued when it imposed the new filing requirement for non-geographic NPAs.⁴⁰ Therefore, the Commission must obtain OMB approval before it requires carriers to report information about non-geographic NPAs.

Even if the PRA did not require the Commission to obtain prior OMB approval before it imposed a new reporting requirement for non-geographic NPAs, the Commission should not amend FCC Form 502 to include information on non-geographic NPAs at the last minute and without creating forms that are specifically designed to collect this type of information. Collecting the information requested by FCC Form 502 and populating the form with this data can be a complicated and burdensome procedure for many carriers, especially smaller carriers with limited compliance resources. Moreover, NANPA frequently rejects FCC

³⁹ Section 3507(h)(3), cited in Tozzi v. EPA, 1998 WL 1661504 (1998).

In fact, there is now a separate FCC Form 502 for 500 and 900 NPA reporting, which has been modified to prevent carriers from filling in unnecessary information. *See*, *e.g.*, NANPA FCC Form 502 Index, http://www.nanpa.com/nruf/index.html (last visited July 11, 2001) (listing separate instructions and FCC Form 502s for geographic and nongeographic numbering resources); NANPA Instructions For Geographic Numbering Resources, http://www.nanpa.com/nruf/geo.html (last visited July 11, 2001) (providing instructions for filing FCC Form 502 for geographic numbering Resources, http://www.nanpa.com/nruf/nongeo.html (last visited July 11, 2001) (providing instructions for filing FCC Form 502 for non-geographic numbering resources and a link for the non-geographic FCC Form 502). Moreover, the 500 and 900 NPAs must be sent to different e-mail addresses, despite the Job Aid's confusing instruction that carriers can only file one report per OCN. *See*, *e.g.*, Non-Geographic Job Aid at 2-3 (downloadable from http://www.nanpa.com/nruf/nongeo.html).

Form 502s multiple times due to various errors in the data. A carrier is not eligible to receive additional numbering resources until these errors are corrected, which can harm carriers, particularly under rationing or lottery allocation plans.

Requiring carriers to report information about non-geographic NPAs in a form designed specifically for geographic NPAs can only complicate these issues further, particularly given the lack of sufficient notice before the upcoming reporting deadline of August 1, 2001. It is presumably for this reason that the Commission encourages carriers "to report numbering resources in the 500 and 900 NPAs *separately* from those in the geographic NPAs" and explains that "NANPA will provide further guidance to carriers completing utilization and forecast data for 500 and 900 numbering resources on its web site, www.nanpa.com."*⁴² CompTel and PCIA respectfully submit that the Commission could achieve its goals more effectively without imposing unnecessary burdens upon carriers by adopting a reporting form that is specifically designed to collection information about non-geographic NPAs rather than forcing carriers at the last minute to report this information on a form designed for other purposes.

IV. THE MEANS THAT THE COMMISSION USED TO IMPOSE A REPORTING REQUIREMENT FOR NON-GEOGRAPHIC NPAS HAVE NEGATIVE CONSEQUENCES

CompTel and PCIA take no position at this time on whether the Commission should, after providing notice and opportunity to comment, impose a reporting requirement for

Reporting Notice at 1 (emphasis added).

⁴² Id. CompTel and PCIA note that further guidance would not be necessary if the Commission had intended to include non-geographic NPAs in the reporting requirement that it adopted in the Numbering Order, and had made this intention clear in that order and FCC Form 502, including the accompanying filing instructions.

non-geographic NPAs. However, the measures that the Commission has adopted in CC Docket No. 99-200, as well as the measures proposed in the outstanding Further Notice of Proposed Rulemaking ("FNPRM"), were designed specifically to address problems associated with geographic NPAs that are subject to the CO Code Assignment Guidelines. Accordingly, even if parties disagree with some of the measures adopted in the orders or proposed in the FNPRM, they can at least understand how the measures apply to the geographic NPAs subject to the CO Code Assignment Guidelines and can respond appropriately. By contrast, when these orders are expanded to cover non-geographic codes well after the end of the comment and reconsideration period, they become hopelessly ambiguous. This ambiguity will lead to unintended consequences that interfere with the goals of the Commission and state regulators, as well as harm carriers and the consumers they serve. If the Commission instead had provided notice and opportunity to comment on the reporting requirement for non-geographic NPAs, state regulators, the industry and other interested parties could have helped the Commission avoid these ambiguities and ensure that the new reporting requirement did not lead to unintended consequences.

For example, if the non-geographic 500 and 900 NPAs were actually covered by the Commissions mandate that "all carriers that receive numbering resources from the NANPA (i.e. code holders), or that receive numbering resources from a Pooling Administrator (i.e., block holders), report forecast and utilization data to the NANPA," then the international inbound NPA 456 NXX codes, carrier identification codes ("CICs") and vertical service codes ("VSCs") would also be covered as NANP numbering resource "codes" that carriers receive from the NANPA.⁴³

⁴³ See, e.g., 47 C.F.R. § 52.13(d).

The toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), 855-XXXX line numbers and 555-XXXX line numbers line numbers would also be covered by the reporting obligation, because the rules that codify the Commission's reporting requirements apply to apply to all "reporting carriers," which is defined as "a telecommunications carrier that receives *numbering resources from the NANPA*, a Pooling Administrator *or another telecommunications carrier*." Thus, if the term "numbering resources" as used in the *Numbering Order* were applicable to NANP numbering resources that are not subject to the *CO Code Assignment Guidelines*, then carriers must include toll free numbers that they have received from another telecommunications carrier (*e.g.*, a carrier serving as a RespOrg), as well as all of their 855-XXXX line numbers and 555-XXXXX line numbers that they have received from the NANPA or other telecommunications carriers, because carriers that have these numbering resources in their inventories would fall within the definition of "reporting carrier" and thus would be subject to the Commission's reporting requirements.

It is not at all clear how carriers could include information about toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), international inbound NPA 456 NXX codes, carrier identification codes, vertical service codes, 855-XXXX line numbers and 555-XXXX line numbers in their FCC Form 502 filings, or that the Commission intends for carriers to provide this information in those reports. Moreover, it is not clear why states should be entitled to access this type of non-geographic data, or even that many states would want this data in addition to information about geographic NPAs over which they have numbering authority. It is also unclear how NANPA could screen the FCC Form 502 reports to ensure that these numbering resources are reported correctly and accurately.

^{44 47} C.F.R. § 52.15(f)(2) (emphasis added).

If the Commission's novel interpretation of the *Numbering Order* were accurate, then the toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), international inbound NPA 456 NXX codes, carrier identification codes, vertical service codes, 855-XXXX line numbers and 555-XXXX line numbers would also be subject to the Commission's rules provide that "applicants for growth numbering resources. The Commission's rules provide that "applicants for growth numbering resources shall include . . . [t]he applicant's current numbering resource utilization level for the rate center in which it is seeking growth numbering resources." Despite the fact that this rule requires a carrier to provide a utilization level for the rate center in which it is seeking growth numbering resources, which suggests that this rule applies only to geographic NPAs subject to the *CO Code Assignment Guidelines*, the Commission relied on the enforcement mechanism for this provision when it instructed NANPA to withhold numbering resources from carriers that fail to report information on the 500 and 900 NPAs. Indeed, the Commission cited the enforcement mechanism

The same is true with respect to the Commission's sequential numbering requirements, which require all service providers to "assign all available telephone numbers within an opened thousands-block before assigning telephone numbers from an uncontaminated thousands-block, unless the available numbers in the opened thousands-block are not sufficient to meet a specific customer request." The Commission has since clarified that a customer request for a vanity number is not a sufficient reason to open a thousands-block out of

⁴⁵ 47 C.F.R. § 5215 (g)(3)

See Reporting Notice at 1 ("The Bureau has instructed the NANPA, in accordance with 47 CFR 52.15(g)(3)(4), to withhold numbering resources from carriers that fail to comply with these reporting requirements.").

⁴⁷ 47 C.F.R. § 52.15(j).

sequence. This requirement, which is designed to preserve uncontaminated thousands-blocks for number pooling, makes no sense whatsoever if applied to 500 and 900 NPAs, toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), international inbound NPA 456 NXX codes, carrier identification codes, vertical service codes, 855-XXXX line numbers and 555-XXXX line numbers, none of which are technically capable of number pooling. However, if the Commission's reporting requirement were applicable to the 500 and 900 NPAs, there is no obvious reason why the sequential numbering requirements would not also be applicable. Moreover, if the sequential numbering requirement were applicable to the 500 and 900 NPAs, it would also be applicable to the toll free NPAs (*i.e.*, 800, 888, 877, 866, 855, 844, 833 and 822 NPAs), international inbound NPA 456 NXX codes, carrier identification codes, vertical service codes, 855-XXXXX line numbers and 555-XXXXX line numbers for the reasons explained above. This would end the Commission sanctioned practice of allowing end users to select the vanity number of their choice for many types of non-geographic NPAs, including numbers within the 500, 900, and 800/888 NPAs, without justification.

Although the Commission may not have intended its *Reporting Notice* to lead to these results, it is no longer the sole interpreter of its rules. For example, state PUCs have delegated authority to investigate carriers' utilization of numbering resources, instigate audits, deny code applications, and reclaim numbering resources based on failure to comply with the Commission's rules. Therefore, the state PUCs will also bear the burden of expending scarce resources to deal with the ambiguities that the *Reporting Notice* creates. Thus, the Commission's decision to "clarify" that its reporting requirements cover 500 and 900 NPAs has actually

See Common Carrier Bureau Responses to Questions in the Numbering Resource Optimization Proceeding, Public Notice, DA 00-1549, CC Docket No. 99-200 (rel. July 11, 2000).

undermined most, if not all, of the Federal numbering rules and upset the respective roles of the Commission and the state PUCs in numbering administration. Moreover, the *Reporting Notice* will most likely lead to inconsistent interpretations of the Commission's numbering requirements, and carriers may be forced to deal with investigations, denials of code applications and audits based on these varying interpretations. Through no fault of their own, state PUCs will be forced to administer and implement Commission policies that are shrouded in ambiguities and unintended consequences. This will tax the resources of carriers at a time when they have little or no access to capital markets, and waste valuable and often scarce resources of the state PUCs.⁴⁹ Therefore, it is crucial for the Commission to rescind the *Reporting Notice* immediately, clarify that its existing rules apply only to geographic NPAs, and issue an NPRM to adopt rules that are designed specifically to address the unique issues facing non-geographic NPAs like the 500 and 900 NPAs. If necessary, the FCC can then adopt an appropriate reporting form for the 500 and 900 NPAs, as well as appropriate penalties for failure to comply with these requirements.

See, e.g., Comments of the Competitive Telecommunications Association, CC Docket Nos. 98-184 & 98-141, at 8-10 (filed June 14, 2001) (explaining why FCC direction is necessary to minimize burdens on State PUCs and carriers, as well as to ensure quick and uniform implementation of federal requirements).

CONCLUSION

For the foregoing reasons, CompTel and PCIA urge the Commission to set aside the new reporting requirement for CO codes within the 500 and 900 non-geographic NPAs pending a proper notice and comment rulemaking proceeding and, if necessary, OMB approval of modifications to FCC Form 502.

Respectfully submitted,

Carol Ann Bischoff
Executive Vice President
and General Counsel
Jonathan Lee
Vice President Regulatory Affairs
COMPETITIVE TELECOMMUNICATIONS
ASSOCIATION
1900 M Street, N.W., Suite 800
Washington, D.C. 20036
(202) 296-6650

Robert L. Hoggarth, Senior Vice President for Government Relations Harold Salters, Director for Government Relations PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION 500 Montgomery Street, Suite 700 Alexandria, Virginia 22314-1561 (703) 739-0300

July 12, 2001

Robert J. Aamoth
Judith St. Ledger-Roty
Todd D. Daubert

KELLEY DRYE & WARREN, LLP 1200 19th Street, N.W., Suite 500 Washington, DC 20036 (202) 955-9600

Counsel to CompTel and PCIA

CERTIFICATE OF SERVICE

Docket No. 99-200

I, Michelle L. Arbaugh, hereby certify that on this 12th day of July, 2001, copies of the foregoing were served upon the following via hand-delivery:

Michael K. Powell, Chairman Federal Communications Commission 445 12th Street, SW Suite 8-B201 Washington, D.C. 20554

Kathleen Abernathy, Commissioner Federal Communications Commission 445 12th Street, SW Suite 8-A204 Washington, D.C. 20554

Kevin J. Martin, Commissioner Federal Communications Commission 445 12th Street, SW Suite 8-C302 Washington, D.C. 20554

Deena Shetler Legal Advisor to Commissioner Tristani Federal Communications Commission 445 12th Street, SW Suite 8-C302 Washington, D.C. 20554

Jordan Goldstein Legal Advisor to Commissioner Copps Federal Communications Commission 445 12th Street, SW Suite 8-B115 Washington, D.C. 20554

Jeffrey Carlisle, Sr. Deputy Chief Office of the Bureau Chief Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 4-C356 Washington, D.C. 20554 Gloria Tristani, Commissioner Federal Communications Commission 445 12th Street, SW Suite 8-C302 Washington, D.C. 20554

Michael J. Copps, Commissioner Federal Communications Commission 445 12th Street, SW Suite 8-B115 Washington, D.C. 20554

Kyle Dixon Legal Advisor to Chairman Powell Federal Communications Commission 445 12th Street, SW Suite 8-B201 Washington, D.C. 20554

Matthew Brill Legal Advisor to Commissioner Abernathy Federal Communications Commission 445 12th Street, SW Suite 8-A204 Washington, D.C. 20554

Dorothy Attwood, Chief Office of the Bureau Chief Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 5-C450 Washington, D.C. 20554

Diane Griffin Harmon, Chief Network Services Division Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 6-A207 Washington, D.C. 20554 Gregory Cooke, Assistant Chief Network Services Division Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 6-A207 Washington, D.C. 20554

Jennifer Gorny Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 6-A207 Washington, D.C. 20554

James D. Schlichting, Deputy Chief Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, SW, Suite 3-C254 Washington, D.C. 20554

International Transcription Service 445 12th Street, SW, Suite 3-C214 Suite CY-B400 Washington, D.C. 20554

Sanford Williams Common Carrier Bureau Federal Communications Commission 445 12th Street, SW, Suite 6-A207 Washington, D.C. 20554

Thomas Sugrue, Chief Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, SW, Suite 3-C252 Washington, D.C. 20554

David Furth, Sr. Legal Advisor Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, SW, Suite 3-C214 Washington, D.C. 20554

Michelle L. Arbaugh